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MEMORANDUM FOR THE RECORD

15 January 1954

Office of General Counsel

Proposed Amendment to Public Law 600

1. Mr. Pforzheimer and [ ] of the General Counsel's Office accompanied by Mr. Saunders, the Comptroller, and Mr. [ ] the Budget Officer, held a meeting on 13 January 1954 with Messrs. Macy, Perry, and Hamilton, specially-cleared representatives of the Bureau of the Budget, and Mr. Walsh of the Bureau's management staff. The purpose of the meeting was to seek CIA views on a proposed draft bill amending Public Law 600 regarding personal weight allowances for overseas travel by Government employees. The draft would also prohibit the Government from paying the cost of overseas shipment of privately owned automobiles.

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2. The Bureau of the Budget has found it necessary to propose this draft legislation as a result of a request from Congresswoman Harden (R., Ind.), Chairman of the sub-committee on Inter-governmental Relations of the House Committee on Government Operations. Mrs. Harden had felt that there should be uniform legislation on a government-wide basis on this subject, instead of the various statutes and inconsistencies now on the books.

3. At Mr. Walsh's suggestion the three principal points in the bill were taken up individually. The first of these is the three year limitation in the proviso clause on page two of the attached draft bill. The Budget officials suggested that the three year limitation might be amended to provide that the Government would ship back to the United States, at its expense, the excess weight over the amounts allowed in the new bill, which had been transported overseas by an employee prior to the date of enactment of the new bill; but that this shipment would not be done later than at the time of the first permanent change of station of the employee. It was the CIA position that this wording would result in inequities and that a preferable wording would be to provide for such payments up to the time of the first permanent change of station back to the United States. Mr. Pforzheimer also suggested a provision for the payment of storage of such excess at Government expense. In this connection the Bureau of the Budget officials requested that Mr. Walsh be notified of CIA's authority to pay the cost of storage of

furniture of employees in cases where the Government is furnishing those employees quarters overseas. CIA was also asked to find out if it is paying for the storage of the furniture of employees who are living overseas in furnished quarters not furnished by the Government.

4. The second major point in the bill is the proposed maximum weight limitation of 14,000 pounds, crated, for transfer to or from the territories and possessions of the United States or foreign countries. In answer to a specific question Mr. Walsh stated that 5USCA Section 73(c) provides that no law authorizing the transportation at Government expense of the effects of officers or employees shall be construed as authorizing the transportation of an automobile, and that for this reason, even if it were possible under the revised weight limitation, it would not be legally possible to permit the transportation of automobiles as part of the personal effects of CIA employees. In discussing the entire subject of the flat weight limitation, it was the CIA position that, although the Agency could probably exist under the proposed limitation, there would certainly be a few instances where compelling operational reasons, such as the preservation of private cover, would require the Director to have the authority to make an exception to the proposed statutory limitation. The BOB officers remarked that the State Department representatives had made the same comment with regard to persons of ambassadorial or ministerial rank and requested CIA to offer substitute language to meet CIA's requirements. At this point Mr. Pforzheimer suggested that, as CIA regulations normally are based upon those of the State Department, for reasons of security it might be well to consider the possibility of omitting CIA from the act completely. The reaction of the BOB officers was non-committal but not unfavorable. In closing this subject, CIA was asked to get together figures over any period of the immediate past on the number of cases in which the existing weight limitations were exceeded. There was general agreement among the CIA representatives that no cases of exceeding the existing limitation were known and this statement apparently satisfied this request for information. (However, this is based on an 18,000 pound ceiling).

5. During the discussion of the final point pertaining to the repeal of CIA's authority to ship personal automobiles at Government expense Mr. Walsh, not being cleared, was absent for a part of the discussion. The CIA representatives emphasized strongly the fact that in many areas of the world such as [redacted] 25X1A6A [redacted] there is no public transportation available, and that, if private automobiles of Government employees were not shipped

at Government expense, these employees, particularly the younger ones, would find it difficult if not impossible personally to expend the \$300.00 to \$600.00 which CIA figures indicate is the average cost of boat transportation of an automobile overseas. It was also pointed out that CIA, in many instances has chosen, as the more secure and less expensive course, to reimburse employees on a mileage basis for the use of private automobiles on Agency business. If the proposed bill were passed it was the feeling of the CIA representatives that CIA would be required to purchase more official cars and buses and would lose the security benefit afforded by the use of private vehicles. Additional problems of agent automobiles were also discussed. It was pointed out that, although CIA was given broad powers under section 10 of Public Law 110, the passage of such a bill, specifically repealing parts of Public Law 110, might place in question the authority of the Agency to apply its section 10 power with regard to the purposes covered by this bill. The BOB officials appeared impressed with these arguments.

6. At the close, Mr. Pforzheimer again indicated to Mr. Murphy the problem of testifying on classified matters before a sub-committee which had not been dealing with CIA matters. He also emphasized the CIA practice to be guided by government-wide legislation, even though excluded from its terms. Mr. Macy was extremely sympathetic to this position, when based on security, rather than a desire "to be different".

7. On 14 January, Mr. Pforzheimer asked Mr. Hamilton to inform Mr. Macy that Congressman Condon (D., Cal.) was a member of Mrs. Harden's sub-committee, which would very definitely complicate any security testimony for reasons of which the BOB was aware. Mr. Hamilton said he doubted the necessity of pursuing the subject further, as there was considerable feeling to eliminate CIA from the bill.

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